

Honolulu, Hawaii

APR 04 2014

RE: H.B. No. 1491
H.D. 1
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 1491, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE BUDGET,"

begs leave to report as follows:

The purpose and intent of this measure is to provide for the fiscally responsible use of state moneys.

Specifically, this measure requires the University of Hawaii to provide written notice to the Director of Finance before:

- (1) Transferring special fund moneys to another special fund or before expending special fund moneys beyond that of the statutory purpose of the special fund; and
- (2) The transfer of appropriated funds and positions for the operating cost category among programs or cost elements in a program.

Your Committee received written comments in opposition from the University of Hawaii. The Department of Budget and Finance submitted written comments on the measure.

Your Committee finds that requiring the University of Hawaii to provide notice prior to transferring money between special funds, using special fund money for purposes outside of what is statutorily authorized, or transferring appropriations between



programs will increase accountability and transparency of the University's finances. Your Committee notes that this measure does not establish a penalty if the University of Hawaii fails to provide the requisite notice as required by this measure and believes that this issue should be a topic of discussion when this measure is being considered by the legislative Committee on Conference.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1491, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



Record of Votes
Committee on Ways and Means
WAM

*Only one measure per Record of Votes